



State of Utah

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## Governor's Office of Economic Development

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#### ***Governor's Office of Economic Development extends offer to Disney Interactive Studios***

Governor's Office of Economic Development (GOED) Business Development Board met today and approved an Economic Development Tax Increment Financing (EDTIF) incentive for *Disney Interactive Studios*, the interactive entertainment affiliate of The Walt Disney Company. The post performance incentive is based on a rebate of no more than 30% of new state tax revenue, up to a maximum of \$5.25 Million over the next ten years. Disney plans to hire more than 500 new employees over the next ten years with wages exceeding 240% of the Salt Lake county median wage. New State tax revenue is expected to exceed \$15 Million during the same period.

The Walt Disney Company is expanding its focus on the creation of video games based on Disney intellectual properties. As a part of this increased focus it acquired Avalanche Software and established Fall Line Studio, based in Salt Lake City, Utah. Disney wants to expand its internal video game development capacity to capture a greater share of the rapidly growing video games market.

Avalanche Software was founded locally in 1996 and acquired by Disney in May of 2005. It has grown to 140 employees today and successfully produced a series of video game console games before the acquisition. After the acquisition they have produced Disney game titles like Chicken Little, Meet the Robinsons and Hannah Montana. Avalanche Software has also been working on next-generation technology for their video game development.

Fall Line Studio was created as a sister studio of Avalanche Software in 2006 to focus on the rapidly expanding Nintendo Wii and DS market. The studio contributed to the development of Disney's recent Hannah Montana Nintendo DS title, Hannah Montana Music Jam.

The State has a focus on those industries where Utah has a natural or developed advantage over other states or regions of the country in economic development. Computer animation is a part of the Software and Information Technology targeted economic cluster for Utah. As a part of this emphasis, the Governor's Economic Summit, which will be held March 20<sup>th</sup> at the Grand America, will address "The Consumer Media Explosion" during one of its education sessions. Experts from Avalanche Studios and other firms will discuss the business of video games, film and cross-over media. Those interested in attending the Summit can register at [www.utahsummit.com](http://www.utahsummit.com)

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### **About Disney Interactive Studios**

Disney Interactive Studios is the interactive entertainment affiliate of The Walt Disney Company (NYSE: DIS). Disney Interactive Studios self publishes and distributes a broad portfolio of multi-platform video games and interactive entertainment worldwide. The company also licenses properties and works directly with other interactive game publishers to bring products for all ages to market. Disney Interactive Studios is based in Glendale, California and has five internal game development studios around the world including Avalanche Software, Fall Line Studio, Propaganda Games, Black Rock Studio and Junction Point Studios.

### **The Governor's Office of Economic Development**

The Governor's Office of Economic Development (GOED) charter is based on Governor Huntsman's commitment to economic development statewide. The mandate for this office is to provide rich business resources for the creation, growth and recruitment of companies to Utah and to increase tourism and film production in the state. GOED accomplishes this mission through the administration of programs that are based around industries or "economic clusters" that demonstrate the best potential for development. GOED utilizes state resources and private sector contracts to fulfill its mission.